

Claim Service Providers should respond to this statement by exception only. Therefore, if you are able to comply with any or all items no comment is necessary beyond "Agreed." For items requiring clarifying comments or if you are unable to provide the described service, please note by using the corresponding item number.

1. Location

- 1.1. Florida Coverage Required

2. Coverage's Requiring Claim Handling Expertise – All States

- 2.1. Workers' Compensation
- 2.2. Auto Liability
- 2.3. Auto Physical Damage
- 2.4. General Liability

3. Claim Intake and Set Up Requirements

- 3.1. On-line internet-based reporting available
- 3.2. Acknowledgement of new claims back to client representative
- 3.3. Ability to report via 800# required
- 3.4. Ability to report via email or fax, if needed
- 3.5. Electronic acknowledgement of new claims back to reporting party and client representative
- 3.6. Claims Service Provider may not accept new WC claim reports received directly from any claimant, attorney or other party not a responsible management representative

4. Medical Management

- 4.1. Client involvement in Medical Management
 - 4.1.1. 24/7 Nurse Triage available
 - 4.1.2. Telephonic case management available
 - 4.1.3. Field Case management and rehabilitation management available
- 4.2. Review and re-pricing of all medical and bills required
- 4.3. PPO network/customization required
- 4.4. Quarterly reporting of expenses and savings on all aspects of medical management required
- 4.5. All medical management expense must be billed directly to the claim file
- 4.6. Prescription Benefit Management Program
- 4.7. Utilization review, peer review, IME, etc. as needed, utilized with the City of Hollywood prior approval

5. Claim Authority Levels

- 5.1. Workers' Compensation Settlement authority is \$0. Claim Service Provider does NOT have authority to settle covered claim in excess of this amount on behalf of the City of Hollywood without the City of Hollywood's consent and must be expressed in writing. Written settlement requests must be directed to WC Representative
- 5.2. Workers' Compensation Reserve authority up to \$50,000
- 5.3. Liability Settlement authority is \$0. Claim Service Provider does NOT have authority to settle covered claim in excess of this amount on behalf of the City of Hollywood without the City of Hollywood's consent and must be expressed in writing. Written settlement requests must be directed to Liability Representative
- 5.4. Liability Reserve authority up to \$50,000
- 5.5. Reserve worksheet and full report required for the City of Hollywood concurrence **before** any reserve increases for claims valued in excess of authority

- 5.6. Supervisor approval and the City of Hollywood concurrence required on all newly established reserve and/or reserve increase above authority
- 5.7. Pre-settlement discussion is required for covered claim settlements in excess of \$0 prior to settlement. Both parties acknowledge that the City of Hollywood has ultimate authority
- 5.8. Prior to negotiating settlements and prior to any hearings/trial over wage benefits, Claim Service Provider must confirm STD or LTD status, if any, with the account
- 5.9. All denials must be discussed and reviewed with the City of Hollywood contact prior to denial letter being issued

6. Legal Management

- 6.1. Claim Service Provider needs to use the City of Hollywood's counsel – Hurley, Rogner, Miller, Cox and Warren for Workers' Compensation claims
- 6.2. Claim Service Provider will work with the City of Hollywood's inside counsel, which includes recommendation for outside counsel, for all liability claims and including the defense of Law Enforcement Officer (LEO) claims
- 6.3. Claim Service Provider must have written litigation management program that include written litigation plans and reports provided to the City of Hollywood, including legal budget
- 6.4. 30-day notice provided to the City of Hollywood for all hearing, legal, status calls and trial notices
- 6.5. Claim Service Provider must have formal legal bill review program

7. Quality Control Program

- 7.1. Claim Service Provider's must have written Quality Control Program
- 7.2. Quality audits of all offices, Managers, Supervisors and Adjusters must be scheduled and on-going
- 7.3. Formal audit reports for each field office must be submitted to the City of Hollywood, if requested

8. Data System and Reporting

- 8.1. All claim files must be in electronic format and all documents must be imaged and available for review, where applicable by state laws
- 8.2. All claim files for all coverage and jurisdictions must be accessible to the City of Hollywood in real-time through internet connection
- 8.3. Data system must provide ad-hoc reporting capability, including Custom reports capability

9. Staff Experience Requirements

- 9.1 Indemnity adjusters 5 or more years
- 9.2 Claim Supervisors 7 or more years
- 9.3 No voluntary staffing changes should be made that affect the City of Hollywood without prior approval from the City of Hollywood. Change applies to all staff assigned to the City of Hollywood program
- 9.4 Staffing changes should be submitted to the City of Hollywood for discussion via conference call prior to making changes
- 9.5 Claim Service Provider supervisor/manager must contact the City of Hollywood and broker/consultant within 2 business days of an employee giving notice or leaving the Claim Service Provider
- 9.6 Staffing changes require notice and outline of the plan for covering the claim role during the period of vacancy
- 9.7 Bios and staffing options should be provided when staffing changes take place

- 9.8 Status on the progress of filling vacant positions should be provided by email every two weeks until the position is filled.
- 9.9 Upon assignment of new staff, a conference call should be scheduled with the City of Hollywood to review requirements with new representative to introduce claim handler and discuss handling requirements and the City of Hollywood open claims

10. Caseload Requirements

- 10.1. All adjusters handling the City of Hollywood cases will maintain an open inventory of 135 or below
- 10.2. If caseloads exceed standard levels the Claim Service Provider will notify the City of Hollywood with a plan for reducing the case load and increased supervisory oversight
- 10.3. No supervisor responsible for adjusters will have an open inventory of claims

11. Special Investigations Unit

- 11.1. Claim Service Provider must have Special Investigations capabilities
- 11.2. Assignment to specific firms need to be accommodated
- 11.3. All special investigations assignments to the City of Hollywood claims require prior approval from client

12. Subrogation

- 12.1. Claim Service Provider is responsible to examine each new claim when reported, and regularly thereafter, for subrogation potential
- 12.2. City of Hollywood approval required prior to subrogation initiation
- 12.3. Subrogation expense is to be billed directly to the claim file
- 12.4. Subrogation recovery is to be credited directly to the claim file

13. Specific Service Requirements

- 13.1. Claim Payment Funding
 - 13.1.1. Claim Expenses for claim files are paid by Claim Service Provider in a City of Hollywood funded bank account
 - 13.1.2. Check register is sent to the City of Hollywood monthly for reconciliation
- 13.2. For individual claim payments in excess of \$50,000 for valid claims, the Claim Service Provider will provide special invoices to the City of Hollywood for these individual payments

14. Accounts and Invoicing

- 14.1. Monthly invoices for Administration Services paid by invoice – account currently on flat fee charges for Administration Costs and Claim Fees
- 14.2. Each invoice must be accompanied by sufficient back-up documentation to support all charges and calculations
- 14.3. City of Hollywood retains the right to audit the books and records of the Claim Service Provider to validate all charges, fees and expenses
- 14.4. All invoices related to any of the accounts are to be sent exclusively to the City of Hollywood Risk Management Department
- 14.5. Ability to have electronic transfer of funds required

15. Initial contact requirements

- 15.1. Within 24 hours of receipt of a new Indemnity and a new Medical Only claim, adjuster must make affirmative telephone contact with each of the following, and such contacts recorded in the claim file:
 - 15.1.1. Contact with claimant

- 15.1.2. Treating medical provider
- 15.1.3. Supervisor of the claimant or the responsible party reporting the claim
- 15.1.4. Follow-up contact with claimant is required, until verbal contact made
- 15.2. Recorded statements required on all claims in which lost time/questionable compensability/subrogation, including all claims that that pertain to the Florida Heart Lung bill, PTSD and Cancer bills
- 15.3. Adjuster follow up minimally every two weeks (bi-weekly) during any period when Temporary Disability Benefits are being paid
- 15.4. Adjuster follow up monthly until closure of the claim for any period when Temporary Disability Benefits are not being paid, but the case remains open, or is re-opened

16. Reserving Practices

- 16.1. Initial opening reserve will be established on all claims within 5 days after report
- 16.2. All reserves will be reviewed and adjusted, as necessary based on documentation, within 40 days of the opening date of the claim
- 16.3. All Open and Re-Opened claims will have reserves formally reviewed no less than each 90-days

17. Reserve Philosophy

- 17.1. Reserves must reflect anticipated expected expenses of all aspects of the claim for the anticipated life of the claim based on knowledge and professional judgment of the adjuster
- 17.2. Reserve adjustments must be made when documented evidence of the change in anticipated expense comes to the attention of the adjuster
- 17.3. Initial reserves and reserve changes should be documented reserves for medical, indemnity and expense in the file
- 17.4. Formal reserves are required for Allocated Claim Expenses
- 17.5. See also Section 5. "Claim Authority Levels"

18. Audits and Claim Reviews

- 18.1. Claim Service Provider will permit and cooperate fully with any scheduled annual broker audit
- 18.2. Formal claim file reviews will take place at the City of Hollywood up to four times per year with the Claim Service Provider Account Manager in person or telephonically
- 18.3. Claim review status reports must be received to client five business days before the review
- 18.4. Open items call to be conducted with client and broker monthly, or as requested
- 18.5. Informal claim reviews and discussions occur with individual claim representatives, as needed
- 18.6. Claim conference calls will be scheduled on high exposure or flagged claims, as needed
- 18.7. Emails and Voicemails should be returned to client within one business day, this includes adjusters, supervisors and account management team

19. Contract Period

- 19.1. One-year contract, renewing annually at pre-agreed fees
- 19.2. The first-year contract will start 5/31/2021 and go through 2/28/22, with the subsequent years from 2/28/22 through 2/28/23.
- 19.3. Either party may terminate the Contract with 90 days advance written notice to the other party, except in the event of bankruptcy or business failure of Claim Service Provider, in which case written notice period shall be 30 days

20. Account Management and Stewardship

- 20.1. Claim Service Provider shall assign an Account Manager with responsibility and authority to take all necessary steps within Claim Service Provider to assure that the City of Hollywood

expectations are met and to solve all professional performance, invoicing and other conflicts that may arise between the City of Hollywood and the Claim Service Provider

- 20.2. Account Manager will meet with the City of Hollywood at least quarterly to review and resolve open items and to review all invoices prior to the
- 20.3. City of Hollywood approval of such invoices for payment
- 20.4. Claim Service Provider will assign dedicated adjusters to the City of Hollywood account wherever possible
- 20.5. Where dedicated adjuster is not possible, due to low claim volume, designated adjusters will be assigned to handle the City of Hollywood claims
- 20.6. Claim Service Provider will be required to present a comprehensive, annual Stewardship report to the City of Hollywood
- 20.7. Stewardship report will contain at least the following:
 - 20.7.1. Statistical analysis of services provided
 - 20.7.2. Statistical analysis of savings realized as result of the Claim Service Provider services
 - 20.7.3. Statistical analysis of claims and the City of Hollywood exposures
 - 20.7.4. Recommendations to reduce claim expenses
 - 20.7.5. Recommendations to reduce claim frequency
 - 20.7.6. Recommendations to improve quality of the Claim Service Provider services
 - 20.7.7. Other information, analysis and recommendations at the discretion of the Claim Service Provider

21. General Claim Management Requirements (Not all-inclusive)

- 21.1. Claim Service Provider is responsible to make all reports and other communications to primary and excess insurers, state and other agencies on behalf of the City of Hollywood in a timely manner
- 21.2. Claim Service Provider will ensure all required state reporting is completed timely and accurately on behalf of the City of Hollywood
- 21.3. Claim indexing is required at file creation for all claims and every 6 months thereafter, as long as file is open
- 21.4. A supervisor Diary must be maintained on all indemnity files, all medical only claims open for more than 90 days
- 21.5. Such supervisory diaries must be actively maintained for the life of the claim
- 21.6. Supervisory action items and review should be specific and relevant to the individual file
- 21.7. Supervisory action items identified should be followed up again to confirm completion
- 21.8. Adjuster must maintain active diaries, which may not exceed 30 days on any claim type unless approved by the claim supervisor and the City of Hollywood
- 21.9. Diary follow up should not exceed 30 days on any claim type unless pre-approved by the claim supervisor and the City of Hollywood
- 21.10. Active Diary means diary for review or action, and excludes diaries for payments

22. Vendor Information

- 22.1. The following vendor guidelines will apply
 - 22.1.1. Full disclosure of all vendor partners required (including, but not limited to MMSEA reporting agent, MSA Vendor, Medical Management, SIU)
 - 22.1.2. Claim Service Provider must give a 30-day written notification prior to any major vendor changes
- 22.2. Claim Service Provider must be willing to unbundle ancillary services

23. Medicare Reporting

- 23.1. Must have the ability to comply with all aspects of MMSEA

- 23.1.1. Must have the ability to offer the City of Hollywood Medicare Set-aside services
- 23.1.2. MMSEA/MSA considerations must be addressed and documented in claim notes
- 23.2. Settlements including medical must provide consideration for MMSEA/MSA obligations

24. Sunset Clause

- 24.1. Continued RMIS usage be provided at the expiring rates
- 24.2. Client-specific special handling instructions remain in place
- 24.3. Client-specific choice of legal counsel and panel remain in place
- 24.4. After any termination of contract that there will be no fee associated with the annual claim reviews
- 24.5. No limit to be placed on the number of files allowed for each claim review